

The Foundation for the Sweden-Lithuania Cooperation Fund
Registration nr 802481-2748

Annual report 2019

The board submits the following annual report

Administrative report

General

The Foundation for the Sweden-Lithuania Cooperation Fund (Stiftelsen Samarbetsfonden Sverige-Litauen) (hereafter – the Fund) is based in Stockholm and operates under Swedish law.

The Fund shall promote cooperation between Sweden and Lithuania by fostering mutual exchange and sharing of knowledge about culture and social relations between the peoples of both countries, including promotion of the Lithuanian language in Sweden and vice versa. Exchange and cooperation between young people to promote social coherence, creativity, innovation and entrepreneurship are specially emphasized.

The Fund initiative was announced by Ms Margot Wallström, the Swedish Minister of Foreign Affairs on behalf of the Swedish Government on May 26th 2018. An interim committee was formed by Ms M. Wallström, the Swedish Minister of Foreign Affairs, consisting of Mr Anders Ljunggren, Mr Pär Nuder and Mr Carl Bildt. The committee had the responsibility to form the Fund, and equivalent corresponding foundations for promoting cooperation with Estonia and Latvia. The Swedish Government took decisions on a legal basis for the Fund and, after approval by the Swedish Parliament, the Riksdag, allocated an

initial capital of ten million SEK in December 2018. The capital is managed by Kammarkollegiet (the Legal, Financial and administrative Services Agency) in accordance, firstly with an agreement between the member of the interim board, Mr Anders Ljunggren and Kammarkollegiet, and thereafter between the Fund and Kammarkollegiet.

The Fund's Board consists of eight members, four appointed by the Government of Sweden and four by the Government of Lithuania. The board members are (from Sweden): Carl Bildt (chairman of the board), Birgitta Jacobsson Ekblom, Agrita Martinsone and Ignas Scheynius, and from Lithuania Rasa Antanaviciute (vice chairman), Marius Jurgilas, Erika Sausverde and Paulius Serapinas.

The Board decided to appoint Lars Erik Engberg the Fund's auditor, from Allegretto Revision AB. Austra Krēsliņa has been engaged to work with the responsibilities of the secretariat.

Purpose promotion

In order to promote the purpose, the Board has had one board meeting, other than the first constitutional meeting in June, in Stockholm October 1st.

One of the highly prioritized tasks during the year has been to develop a system for applications and to establish rules for allocation of grants to actors who are potential parts of promoting the purpose of the Fund. The work has resulted in an internet-based application system on the home page www.swelitfund.org. In a relatively short period of time the Fund has put a system into place, enabling grants for actors in both Sweden and Lithuania during the first half of 2020.

In order to reach the purpose of the Fund it has been important to seek support from the private corporate sector and private donors. This has been done, to a large extent together with the Cooperation funds Sweden-Latvia and Sweden-Estonia. The first contacts taken has been with large companies, with extensive operations in Sweden as well as Lithuania, Estonia and Latvia. The results of these efforts will become visible not earlier than during 2020.

In order to reach out to relevant actors, who can fulfill the purpose of the Fund, the home page has been a crucial tool.

Significant events during the fiscal year

Starting the beginning of January until June 13th an interim committee designated by the

Minister of Foreign Affairs of Sweden was working to secure the creation of the Cooperation Fund Sweden-Latvia.

A constitutional board meeting was held June 13th.

Rules for grant allocation and an application system were developed and published on the home page www.swelitfund.org.

Multi-year overview

The year 2019 was the first year of operations for the Fund, the year when it was established and given a board with representatives from both Sweden and Lithuania. During 2020 and ahead the conditions for fulfilling the purpose of the Fund using the capital donated are good. Grants will be allocated in 2020 based on the application system which was developed in 2019.

Key figures kSEK	2019
Net turnover	370
Profit after financial items	371
Balance sheet total	10 440
Unrestricted capital	196
Grants	0

Profit and loss statement	Note	2019	
Fund's revenues			
Dividends	2	220 419	
Other revenues		150 000	
Fund's revenues total		370 419	
Fund's costs			
Other external costs	3	-152 276	
Fund's costs total		-152 276	
Net operation result		218 143	
Financial posts			
Capital gains on the sale of securities	4	153 013	
Financial posts total		153 013	
Result after financial posts		371 156	
Profit of the year		371 156	

Balance sheet	Note	2019-12-31	
Assets			
Fixed assets			
<u>Financial fixed assets</u>			
Other long-term securities	5, 6	10 255 399	
Fixed assets total		10 255 399	
Current assets			
Cash at bank and in hand		185 033	
Current assets total		185 033	
Assets total		10 440 402	
Equity and liabilities			
Equity	7		
Restricted equity			
Restricted equity at the beginning of the fiscal year		10 000 000	
Changes in restricted equity		174 827	
Restricted equity at the end of the fiscal year		10 174 827	
Current equity			
Current equity at the beginning of the fiscal year		-	
Transferred to and from restricted equity		-173 526	
Appropriations granted and reversed (grants)		-	
Profit/loss of the year		371 156	
Equity at the end of the fiscal year		196 329	
Equity total		10 371 156	
Current liabilities			
Other liabilities		42 500	
Accruals and deferred income	8	26 746	

Remainig liabilities total		69 246	
Equity and liabilities total		10 440 402	

Annotations

Note 1 Accounting and valuation principles

The annual report has been prepared in accordance with the Annual Accounts Act (årsredovisningslagen, ÅRL 1995:1554) and the general advice of the Swedish Accounting Standards Board's (Bokföringsnämndens allmänna råd, BFNAR 2016: 10) on annual accounts of smaller companies.

Consortia at Kammarkollegiet are constructed using the same principles as for mutual funds but is not supervised by Finansinspektionen (Sweden's financial supervisory authority, FI) and is not covered by the law on mutual funds (Lagen om värdepappersfonder, 2004:46). The consortia are managed in the same way as mutual funds, which means the assets are owned jointly by the holders and each share has the same market value and the same right to the consortium's capital. In terms of bookkeeping the shares are handled in the same way as shares in mutual funds where dividends from consortia consist of direct returns. Neither realized, nor unrealized changes of value are distributed.

Acquisition costs for shares in share consortia are the market value at the time of acquisition and redemption, respectively, however, not more than one so-called nominal value which is determined for one year at a time and corresponds to the market value immediately after the dividend has been paid. If the market value at the acquisition and redemption date exceeds the nominal value, the difference is regarded as accrued interest.

Sale of shares is always carried out at the market price of the day of sale.

Current assets in the balance sheet are valued at the lower of cost and market value on the balance sheet date. Fixed assets are valued at cost or according to the same principle as current assets in cases where the decline in value can be assumed to be permanent (4 kap § 5 ÅRL). However, Kammarkollegiet applies a portfolio valuation for consortium customers, which means a collective valuation at the end of the respective customer's holdings in the

consortia. The valuation method reduces the risk of impairment/reversals in case of temporary fluctuations in the market.

Equity is divided in restricted and nonrestricted equity. The restricted equity of the Fund is usually not available for distribution of grants and consists of Fund capital (the original donation and potential later donations) as well as accumulated capitalization, capital gains and write-downs. Everything else is the foundation's free, or nonrestricted, equity. Granted grants are accounted for as liabilities and reported against nonrestricted equity.

Disposition of the profit for the year is done as follows: the part of the profit for the year relating to capital gains/losses and any write-downs are transferred to restricted equity. Restricted equity also includes the amount that, according to the statutes, is to be used for capitalization. The remainder of the profit for the year is reported as unrestricted equity and is available for distribution.

All amounts are SEK unless otherwise stated. Rounding differences may occur.

Note 2 Profit from financial fixed assets

	2019	
Dividend Aktiekonsortiet Sverige	31 993	
Dividend Aktieindexkonsortiet Utland	45 249	
Dividend Aktieindexkonsortiet Äpplet	41 194	
Dividend Företagsobligationskonsortiet	5 125	
Dividend Stiftelsekonsortiet Giva	73 754	
Dividend Företagsobligationskonsortiet FRN	3 894	
Dividend Fastighetskonsortiet Slottet	19 210	
Total	220 419	

Project aid for start-up costs	150 000
Total	150 000

Note 3 Other external costs

	2019	
Management costs, Kammarkollegiet	17 925	
Other management costs	121 851	
Auditor cost	12 500	
Total	152 276	

Note 4 Capital gains from sales of securities

	2019	
Realization result on sale Aktieindexkonsortiet Utland	37 356	
Realization result on sale Aktiekonsortiet Sverige	73 814	
Realization result on sale Aktieindexkonsortiet Äpplet	35 160	
Realization result on sale Företagsobligationskonsortiet	5 027	
Realization result on sale Företagsobligationskonsortiet FRN	1 627 556	
Total	153 013	

Note 5 Other long-term securities

	2019-12-31	
Acquisition value	-	
This year's acquisition	17 739 275	
This year's sales	-5 026 836	
Closing value accumulated acquisitions	10 255 399	
Closing book value	10 255 399	

Note 6 Securities

	Acquisition value	Book value	Market value
Shares Aktiekonsortiet Sverige	750 815	750 815	833 685
Shares Aktieindexkonsortiet Utland	2 288 356	2 288 356	2 619 353
Shares Aktieindexkonsortiet Äpplet	1 243 160	1 243 160	1 421 765
Shares	208 412	208 412	209 554

Företagsobligationskonsortiet			
Shares Stiftelsekonsortiet GIVA	3 145 000	3 145 000	3 329 995
Shares			
Företagsobligationskonsortiet FRN	522 656	522 656	524 617
Shares Fastighetskonsortiet Slottet	2 097 000	2 097 000	2 586 835
Amount at the end of the year	10 255 399	10 255 399	11 525 804

Note 7 Change in equity

	Restricted equity	Unrestricted equity	Equity total
Amount at the beginning of the year	10 000 000	-	10 000 000
Profit of the year	-	371 156	358 147
Transfers to/from restricted equity			
- capital gain	153 013	-153 013	-
- provision according to the statutes (capitalization 10 %)	21 814	-21 814	-
Amount at the end of the year	10 174 827	196 329	10 371 156

Note 8 Accrued expenses and prepaid income

	2019-12-31
Management costs	14 246
Auditors costs	12 500
Total	26 746

Stockholm, May 5th 2020

Signed by the board:

_____ Carl Bildt, chairman

_____ Rasa Antanaviciute, vice chairman

_____ Birgitta Jacobsson Ekblom

_____ Marius Jurgilas

_____ Agrita Martinsone

_____ Erika Sausverde

_____ Ignas Scheynius

_____ Paulius Serapinas

My audit report has been submitted ____ - ____ - ____.

Lars Erik Engberg
Auditor